

AMENDED IN SENATE AUGUST 16, 2016  
AMENDED IN SENATE AUGUST 2, 2016  
AMENDED IN ASSEMBLY MAY 31, 2016  
AMENDED IN ASSEMBLY APRIL 11, 2016  
AMENDED IN ASSEMBLY MARCH 28, 2016  
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## **ASSEMBLY BILL**

**No. 1550**

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**Introduced by Assembly Member Gomez**

January 4, 2016

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An act to amend Section 39713 of the Health and Safety Code, relating to greenhouse gases.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1550, as amended, Gomez. Greenhouse gases: investment plan: disadvantaged communities.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas

Reduction Fund. Existing law requires the investment plan to allocate a minimum of 25% of the available moneys in the fund to projects that provide benefits to disadvantaged communities, as defined, and a minimum of 10% to projects located in those disadvantaged communities. Existing law provides that the allocation of 10% for projects located in disadvantaged communities may be used for projects included in the minimum allocation of 25% for projects that provide benefits to disadvantaged communities.

This bill would instead require the investment plan to allocate a minimum of 25% of the available moneys in the fund to projects located within, and benefiting individuals living in, disadvantaged communities, as described, and an additional minimum of ~~20%~~ 5% to projects that benefit low-income households or to projects located within, and benefiting individuals living in, low-income communities, as defined.

*The bill would make the operation of its provisions contingent upon the enactment of AB 1613 of the 2015–16 Regular Session and the appropriation of \$205,000,000 in that act from the Greenhouse Gas Reduction Fund.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 39713 of the Health and Safety Code is
- 2 amended to read:
- 3 39713. (a) The investment plan developed and submitted to
- 4 the Legislature pursuant to Section 39716 shall allocate a minimum
- 5 of 25 percent of the available moneys in the fund to projects located
- 6 within the boundaries of, and benefiting individuals living in,
- 7 communities described in Section 39711.
- 8 (b) (1) The investment plan shall allocate a minimum of ~~20~~ 5
- 9 percent of the available moneys in the fund to projects that benefit
- 10 low-income households or to projects located within the boundaries
- 11 of, and benefiting individuals living in, low-income communities.
- 12 (2) For purposes of this subdivision, the following definitions
- 13 shall apply:
- 14 (A) “Low-income households” are those with household
- 15 incomes at or below 80 percent of the statewide median income
- 16 or with household incomes at or below the threshold designated
- 17 as low income by the Department of Housing and Community

1 Development's list of state income limits adopted pursuant to  
2 Section 50093.

3 (B) "Low-income communities" are census tracts with median  
4 household incomes at or below 80 percent of the statewide median  
5 income or with median household incomes at or below the  
6 threshold designated as low income by the Department of Housing  
7 and Community Development's list of state income limits adopted  
8 pursuant to Section 50093.

9 (c) Moneys spent pursuant to subdivision (a) shall not count  
10 toward the minimum requirement described in subdivision (b),  
11 and moneys spent pursuant to subdivision (b) shall not count  
12 toward the minimum requirement described in subdivision (a).

13 *SEC. 2. This act shall become operative only if Assembly Bill*  
14 *1613 of the 2015–16 Regular Session is enacted, becomes effective*  
15 *on or before January 1, 2017, and appropriates two hundred five*  
16 *million dollars (\$205,000,000) is appropriated in that act from*  
17 *the Greenhouse Gas Reduction Fund.*